

THE PAST AS PROLOGUE?

NRO AND THE BATTLES OVER JOINT INTELLIGENCE

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ON APRIL 21, 2005, THE U.S. SENATE OVERWHELMINGLY CONFIRMED AMBASSADOR JOHN D. NEGROPONTE to become the first Director of National Intelligence (DNI) with a vote of 98 to two. Ambassador Negroponte assumed his new post to lead the most significant transformation in American intelligence since the end of World War II. While coordinating the efforts of traditional Intelligence Community members, such as the Central Intelligence Agency (CIA) and the National Security Agency (NSA), he worked with the Department of Homeland Security (DHS) as well as local governments, law enforcement, and others new to the intelligence establishment. These efforts to place the American intelligence community under a single leader have deep historical roots. As a joint Department of

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Defense/Intelligence Community (DoD/IC) organization, the National Reconnaissance Office (NRO) emerged during the move toward military and intelligence consolidation in the 1960s. Perhaps no issue demonstrates this fact more than the memorandums-of-agreement between the CIA and the DoD over management of the NRO and the National Reconnaissance Program (NRP).

The NRO memorandums-of-agreement (also known as the NRO Charters) are formal written documents governing the NRO's basic functions and operations. Written during NRO's creation in the early 1960s, they specify NRO's mission and relationships to key mission partners. They delineate lines of authority, control over money and other resources, and establish processes for settling disputes. Lastly, they set NRO's character as a joint office of the Intelligence Community and DoD.

World War II Office of Strategic Services (OSS) leader, William J. “Wild Bill” Donovan, created America’s first truly centralized intelligence agency, combining intelligence analysis, covert operations, propaganda, and counterintelligence. While the wartime OSS implemented new and innovative intelligence activities, President Harry S. Truman disbanded the organization in October 1945, fearful that it might become an “American Gestapo.” However, as the Cold War intensified, national leaders recognized the need for a permanent, civilian-dominated, national intelligence establishment. In 1946, the Joint Congressional Committee investigating the Japanese attack on Pearl Harbor concluded that lack of coordinated and properly analyzed intelligence led to the United States failure to detect the impending attack; it recommended “a complete integration of Army and Navy intelligence agencies.” In response to this and other calls to restructure the nation’s military and intelligence systems, Congress passed the National Security Act of 1947. This major reform created a new formalized defense and intelligence structure that has remained largely intact until the Intelligence Reform Act of 2004.

The 1947 Act created an independent U.S. Air Force, and civilian-led Departments of the Army, Navy, and Air Force. In the realm of national security policy and intelligence, it also created a National Security Council to advise the president on national security affairs, and set up the CIA to centralize intelligence collection and analysis in a single civilian agency. The Director



Above: *CIA Deputy Director/Plans Dr. Richard M. Bissell.*

Left: *Air Force Undersecretary Dr. Joseph V. Charyk.*

of Central Intelligence (DCI) headed the CIA and the American intelligence establishment. However, cryptology and military intelligence did not fall under CIA jurisdiction. Therefore, in November 1952, President Truman also established the National Security Agency to consolidate the nation’s cryptology activities; starting in October 1961, a new Defense Intelligence Agency coordinated the intelligence activities of the military services.

Established in September 1961 as another intelligence agency, the NRO consolidated the nation’s overhead reconnaissance efforts. Air Force Undersecretary Dr. Joseph V. Charyk and CIA Deputy Director/Plans Dr. Richard M. Bissell Jr., co-directed the new organization. Prior to NRO’s creation, the CORONA program, America’s first successful photo reconnaissance satellite, operated under an unstructured arrangement between the CIA and the U.S. Air Force. CIA funded CORONA

and provided the security and satellite recovery vehicles, while the Air Force launched the rockets and recovered the payloads. The CORONA program worked well under Bissell and Charyk, but as the NRO stood up, a high-level bureaucratic struggle developed between the Air Force and the CIA over control of America’s intelligence reconnaissance assets — both aerial and space-based platforms.

On September 6, 1961, the day Charyk and Bissell assumed their new NRO post, Acting Director of Central Intelligence (DCI) General Charles P. Cabell and Deputy Secretary of Defense Roswell L. Gilpatric signed the first of four NRO and NRP agreements. Drafted by an aide, Col. John Martin, neither Charyk nor Bissell gave the agreement much thought, preferring instead to continue operating in the same informal manner as they always had. Under the agreement, the CIA and Air Force managed the NRO under a joint directorship that

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reported to Secretary of Defense Robert S. McNamara. The NRO controlled and financed all overhead reconnaissance efforts, but received its requirements from the U.S. Intelligence Board (USIB), which President Dwight D. Eisenhower ordered created in 1958 to coordinate Intelligence Community activities. A DCI-chaired board, the USIB contained DoD and State Department intelligence chiefs, plus representatives from the Federal Bureau of Investigation, the Treasury Secretary, and the Atomic Energy Commission. The DCI presumably believed that he could counter the influence of the Secretary of Defense in the NRP through his leverage as USIB chair and his position as DCI.

As Charyk and Bissell had done during CORONA, the Air Force continued launching satellites, recovering the film, and providing the bases and launch facilities, while the CIA conducted research-and-development, provided contract support, and maintained security. This method of operation worked well, owing largely to Charyk and Bissell's close cooperation. However, when Bissell left government service in April 1962, Charyk became the sole NRO Director. After Bissell's departure, DCI John A. McCone and Gilpatric signed a second agreement in May 1962; it specified a single NRO Director, appointed jointly by the Secretary of Defense and DCI. McCone

wanted Charyk to continue as director, but he also wanted to influence the selection of future NRO Directors. The second agreement also gave NRO control over all reconnaissance spending, including funds allocated to the CIA's budget. In return, CIA maintained control over research-and-development, contracts, and targeting.

One of Charyk's first actions restructured the NRO, creating separate alphabetic programs for the Air Force (Program A), CIA (Program B), and Navy (Program C), as well as a program for the U-2, SR-71, and A-12 aircraft (Program D). After signing the second agreement, McCone tried unsuccessfully to secure CIA's independence from NRO. First, he suggested creating a "National Reconnaissance Planning Group," composed of the DCI and Secretary of Defense McNamara to make decisions on space reconnaissance not requiring presidential approval. In this proposal, the NRO Director retained approval authority over the whole NRP budget, but not over individual programs; this gave CIA authority over Program B management. However, when Charyk and Gilpatric objected, McCone then asked McNamara to recommend that the Bureau of the Budget release all covert satellite funds directly to the CIA, reasoning that the CIA-controlled reconnaissance funds rendered the

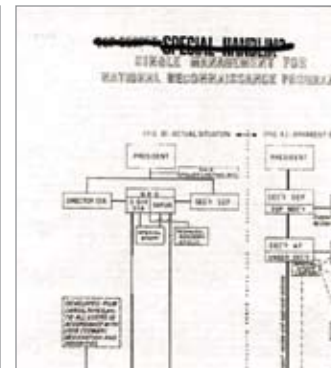
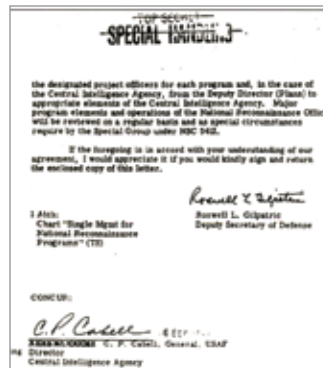
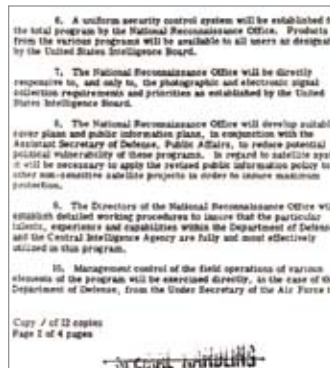
budget provisions in the second agreement mostly irrelevant. McNamara did not approve McCone's request.

Charyk's retirement from government service in early 1963 exacerbated a difficult situation, leading McCone and Gilpatric to sign a third NRO agreement in March of that year. This agreement created the position of NRO Deputy Director, specifying that a CIA officer would fill the position and named the Secretary of Defense as NRP executive agent. In this arrangement, the DCI and the Secretary of Defense jointly managed the NRO as a separate operating agency of the Department of Defense, even though the organization fell under direction, authority, and control of the Secretary of Defense.

Charyk's replacement as NRO Director, Dr. Brockway McMillan, former chief executive at Bell Laboratories, differed with the head of CIA's new Directorate of Science and Technology (DS&T), Albert "Bud" Wheelon, over control of Program B's CIA activities. Wheelon believed that, as Director of Science and Technology, he controlled Program B activities, while McMillan argued that Program B management fell under his purview as NRO Director. The situation became so bad at one point that McCone and new Deputy Director of Defense Cyrus Vance stepped in.



NRO's first charter.



The differences between Wheelon and McMillan continued until McMillan returned to Bell Labs in August 1965; Wheelon retired from CIA a year later, also returning to private business.

On August 11, 1965, shortly after McMillan departed NRO, new DCI William F. Raborn, Jr., and Cyrus Vance signed the fourth NRO agreement. The new agreement, still in force in 2006, greatly reduced the power of the NRO Director by stipulating that the NRO Director would continue reporting to the Secretary of Defense on matters of NRP operations and budgets, but that the DCI would direct intelligence requirements and tasking. It also established a three-person Executive Committee (EXCOM) consisting of the Director of Central Intelligence, Deputy Secretary of Defense, and the President's Science Advisor. The NRO Director appeared at EXCOM meetings to answer questions or present plans as a non-voting member. Under this arrangement, the EXCOM maintained budget authority, directing funds to either the CIA or Department of Defense, depending on who could

best complete the task. President Gerald R. Ford abolished the EXCOM in 1976, giving the DCI control of the NRP budget.

The history of NRO management begs the question, as Ambassador Negroponte stands up the Office of Director of National Intelligence: What lessons might we learn from the NRO's experience with joint management? First, by its very definition, consolidated intelligence requires a joint management approach. Second, desires to consolidate intelligence in the United States under a sole organization, with a single leader, came out of the intelligence failure at Pearl Harbor and the successful wartime record of the OSS. That the position of the Director of National Intelligence resulted directly from the September 11th attack is a clear instance in which the past is prologue. Third, and perhaps even more important, is the lesson that successful joint operations depend largely on the relationship of those in top management. As Joseph Charyk and Richard Bissell demonstrated with their loose, unstructured management

approach, managers who maintain a close working relationship and limit bureaucratic rivalries can lead organizations that work well and control operational friction. However, when leaders clash, as Brockway McMillan and Albert Wheelon did, the opposite occurs. Whether the past becomes prologue partly depends on the applications of the lessons of joint management.

This article is based on the following unclassified sources: Gerald K. Haines, The National Reconnaissance Office: Its Origins, Creation, and Early Years. Chantilly, VA: NRO History Office, 1997; Robert Perry, Management of the National Reconnaissance Program, 1960–1965, Chantilly, VA: NRO History Office, 1969.

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